

This record is a partial extract of the original cable. The full text of the original cable is not available.

291628Z Oct 92

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PAGE 02 ZAGREB 02203 01 OF 04 291627Z  
USEC BRUSSELS  
WHITE HOUSE WASHDC 1023  
USMISSION GENEVA  
USMISSION USVIENNA  
COMSIXTHFLT//N2//  
CINCUSNAVEUR LONDON UK//N2/N22//  
USEUCOM VAIHINGEN GM//ECJ3/ECJ5//  
CTF SIXZERO//N2//  
CTF SIXONE//N2//  
CTF SIXTWO//N2//  
CTF SIXSEVEN//JJOC//  
FOSIF ROTA SP

UNCLAS SECTION 01 OF 04 ZAGREB 02203

SIPDIS

USVIENNA FOR USDEL CSCE

E.O. 12356: N/A

TAGS: [PGOV](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [BK](#)  
SUBJECT: CGYOOL -- ZAGREB UPDATE: OCT 29, 1992

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SUMMARY  
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[1](#). CROATIAN BUDGET DEFICIT HITS 400 BILLION  
DINARS (ALMOST USD 890 MILLION). PRESIDENT  
TUDJMAN TELLS ISLANDERS THAT RECONSTRUCTION IS  
NUMBER ONE GOAL. SERBS DESTROY BOSANSKI BROD  
CATHOLIC CHURCH. ZUPANJA HIT BY 12 SERBIAN  
SHELLS. B-10,000 CROATIAN ARMY SOLDIERS TO BE  
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PAGE 03 ZAGREB 02203 01 OF 04 291627Z  
RELEASED FROM SERVICE, BUT WITHOUT JOBS. EX-JNA  
PILOT ACCUSED OF WAR CRIMES. VECERNJI LIST TO BE  
PRIVATIZED. UNEMPLOYMENT HITS 262,000. COCA COLA  
SETS UP A BUSINESS PRESENCE. END SUMMARY.

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GRANIC -- DEFICIT NOW SOME 400 BILLION DINARS  
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[2](#). DEPUTY PRIME MINISTER MATE GRANIC TOLD A  
ZAGREB PRESS CONFERENCE OCTOBER 28 THAT CROATIA  
HAS A BUDGET DEFICIT OF 400 BILLION DINARS (ABOUT  
USD 890 MILLION), FROM ITS CURRENT ACCOUNTS OF  
WHICH 274 BILLION DINARS ARE FROM REGULAR ACCOUNTS  
AND 100 BILLION PLUS FROM LOSSES AT STATE-OWNED  
COMPANIES.

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TUDJMAN TELLS ISLANDERS RECONSTRUCTION IS TOP GOAL  
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[3](#). ON HIS OCTOBER 27 VISIT TO THE DALMATIAN  
ISLANDS OF HVAR, VIS, AND LASTOVO, PRESIDENT  
TUDJMAN SAID RECONSTRUCTION IS CROATIA'S MOST  
IMPORTANT TASK SINCE ONE QUARTER OF CROATIA HAS  
BEEN DESTROYED.  
-- TUDJMAN SAID CROATIA HAD ACCEPTED UNPROFOR IN  
ORDER TO END THE WAR AND THEREBY LIMIT SUFFERING  
AND CASUALTIES. UN FORCES WILL MEET THEIR  
OBLIGATIONS, BUT IF THEY FAIL, CROATIA WILL ITSELF  
ESTABLISH ITS AUTHORITY ON ITS OCCUPIED  
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TERRITORY. DISPLACED PERSONS WILL RETURN TO THEIR  
HOMES AND NOBODY WILL HAVE TO EMIGRATE FROM  
CROATIA.

-- ON THE ECONOMY, HE STRESSED THAT CROATS WILL

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ACTION EUR-01

INFO	LOG-00	AID-01	AMAD-01	CA-02	CIAE-00	PFIP-01	C-01
	DODE-00	CISA-02	DS-00	EB-01	HA-09	H-01	INRE-00
	INR-01	IO-19	LAB-04	L-03	ADS-00	MFLO-03	M-01
	NSAE-00	OCS-06	OIC-02	OMB-01	PA-02	PC-05	PM-02
	PRS-01	P-01	RP-10	SCT-03	SDEL-00	SIL-00	SNP-00
	SP-00	SR-00	SSO-00	SS-00	STR-17	TRSE-00	T-01
	ASDS-01	/103W					

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O 291628Z OCT 92  
FM AMEMBASSY ZAGREB  
TO SECSTATE WASHDC IMMEDIATE 2526  
INFO AMEMBASSY BELGRADE  
USIA WASHDC 2307  
USDOC WASHDC  
AMEMBASSY ANKARA  
AMEMBASSY ATHENS  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY BUDAPEST  
AMEMBASSY LONDON  
AMEMBASSY MADRID  
AMEMBASSY MOSCOW  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY VIENNA  
USMISSION USNATO  
USMISSION USUN NEW YORK

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USEC BRUSSELS  
WHITE HOUSE WASHDC 1024  
USMISSION GENEVA  
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COMSIXTHFLT//N2//  
CINCUSNAVEUR LONDON UK//N2/N22//  
USEUCOM VAIHINGEN GM//ECJ3/ECJ5//  
CTF SIXZERO//N2//  
CTF SIXONE//N2//  
CTF SIXTWO//N2//  
CTF SIXSEVEN//JJOC//  
FOSIF ROTA SP

UNCLAS SECTION 02 OF 04 ZAGREB 02203

SIPDIS

USVIENNA FOR USDEL CSCE

E.O. 12356: N/A

TAGS: [PGOV](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [PREL](#) [PHUM](#) [MOPS](#) [PREF](#) [HR](#) [BK](#)  
SUBJECT: CGYOOL -- ZAGREB UPDATE: OCT 29, 1992

HAVE TO SURVIVE THIS "WINTER" OF SOCIAL PROBLEMS.  
HE COMMENTED THAT CROATIA WOULD SOON INTRODUCE ITS  
OWN HARD CURRENCY, THE CROWN, "WHICH WILL BE AS  
VALUABLE AS THE GERMAN MARK AND AMERICAN DOLLAR."

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NEW ATTACKS ON ZUPANJA  
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14. ON OCTOBER 28, SERBIAN FORCES FIRED TWELVE  
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ROUNDS ACROSS THE SAVA RIVER INTO ZUPANJA AND  
SURROUNDING VILLAGES. ONE PERSON WAS INJURED AND  
CONSIDERABLE DAMAGE WAS DONE TO HOMES.

15. THE CROATIAN ARMY COMMAND IN KARLOVAC  
ANNOUNCED THAT SERBIAN FORCES FIRED AT CROATIAN  
POSITIONS NEAR CEROVAC AND KAMENSKO (SECTOR

NORTH). THE SAME DAY, SERBIAN FORCES ALSO FIRED AT CROATIAN ARMY POSITIONS NEAR ZADAR (PINK ZONE IN SECTOR SOUTH). THE ATTACKERS ALSO BURNED DOWN CROATIAN HOUSES IN THE AREA OF ISLAM LATINSKI NEAR ZADAR. ENEMY FORCES OPENED FIRE AT CROATIAN ARMY POSITIONS IN ORNICE NEAR GOSPIC. THERE WERE NO CASUALTIES. IN SECTOR EAST, SERBIAN FORCES IN OCCUPIED SARVAS ATTACKED CROATIAN ARMY POSITIONS NEAR NEMETIN.

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8-10,000 HV SOLDIERS TO BE DE-MOBILIZED IN OSIJEK  
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16. THE ZAGREB PRESS REPORTED THAT THE GOVERNMENT PLANS TO DEMOBILIZE 8-10,000 CROATIAN SOLDIERS IN THE OSIJEK DISTRICT. AN UNFORTUNATE BY-PRODUCT OF THIS STEP WILL BE UNEMPLOYMENT. THE MAJORITY OF THOSE TO BE DEMOBILIZED ARE DISPLACED PERSONS FROM OCCUPIED BARANJA AND EASTERN SLAVONIA. THEY CANNOT RETURN HOME, AND WITHOUT A JOB THEY CANNOT SUPPORT THEIR FAMILIES.

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EX-JNA PILOT ACCUSED OF WAR CRIMES  
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17. THE DISTRICT PROSECUTOR'S OFFICE IN RIJEKA BROUGHT CHARGES AGAINST A FORMER YUGOSLAV ARMY

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ACTION EUR-01

INFO	LOG-00	AID-01	AMAD-01	CA-02	CIAE-00	PFIP-01	C-01
	DODE-00	CISA-02	DS-00	EB-01	HA-09	H-01	INRE-00
	INR-01	IO-19	LAB-04	L-03	ADS-00	MFLO-03	M-01
	NSAE-00	OCS-06	OIC-02	OMB-01	PA-02	PC-05	PM-02
	PRS-01	P-01	RP-10	SCT-03	SDEL-00	SIL-00	SNP-00
	SP-00	SR-00	SSO-00	SS-00	STR-17	TRSE-00	T-01
	ASDS-01	/103W					

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O 291628Z OCT 92  
FM AMEMBASSY ZAGREB  
TO SECSTATE WASHDC IMMEDIATE 2527  
INFO AMEMBASSY BELGRADE  
USIA WASHDC 2308  
USDOC WASHDC  
AMEMBASSY ANKARA  
AMEMBASSY ATHENS  
AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY BUDAPEST  
AMEMBASSY LONDON  
AMEMBASSY MADRID  
AMEMBASSY MOSCOW  
AMEMBASSY PARIS  
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AMEMBASSY VIENNA  
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USEC BRUSSELS  
WHITE HOUSE WASHDC 1025  
USMISSION GENEVA  
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COMSIXTHFLT//N2//  
CINCUSNAVEUR LONDON UK//N2/N22//  
USEUCOM VAIHINGEN GM//ECJ3/ECJ5//  
CTF SIXZERO//N2//  
CTF SIXONE//N2//

CTF SIXTWO//N2//  
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PILOT, A CROAT FROM THE ISLAND OF KORCULA. HE IS  
ACCUSED OF LEADING A BOMBING ATTACK BY SIX JNA  
MIGS AGAINST THE VILLAGE OF KRASNO IN THE SENJ  
DISTRICT SEPTEMBER 20, 1991, WHICH KILLED TWO AND  
INJURED NINE CIVILIANS.

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SERBS BLAST CHURCH IN BOSANSKI BROD  
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18. THE CATHOLIC CHURCH OF ST. ELIAS IN BOSANSKI  
BROD WAS DESTROYED OCTOBER 26 BY SERBIAN  
IRREGULARS, ACCORDING TO THE ZAGREB PRESS,

-----  
VECERNJI LIST EN ROUTE TO PRIVATIZATION  
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19. THE FIRST STAGE IN THE PRIVATIZATION OF THE  
ZAGREB DAQLY VECERNJI LIST -- A RESTRICTED STOCK  
AUCTION -- TOOK PLACE OCTOBER 28. EMPLOYEES AND  
RETIRED FORMER EMPLOYEES OF VECERNJI LIST WERE  
GIVEN THE FIRST CHANCE TO BUY SHARES IN THE  
COMPANY AND THEY PURCHASED SOME 13 PERCENT OF THE  
OFFERING.

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UNEMPLOYMENT HITS 262,000  
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110. BY THE END OF SEPTEMBER, THE CROATIAN  
EMPLOYMENT OFFICE HAD 262,143 REGISTERED  
UNEMPLOYED. IN ADDITION, THE GOVERNMENT HELPS  
47,000 WITH SOCIAL ASSISTANCE PAYMENTS AND PAYS  
OUT 767,149 RETIREMENT PENSIONS.

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LOCAL COCA COLA HITS THE MARKET  
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111. COCA COLA ANNOUNCED OCTOBER 27 THAT IT HAD  
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PAGE 04 ZAGREB 02203 03 OF 04 291631Z  
INVESTED USD 5.3 MILLION FOR A 39 PERCENT STAKE IN  
THE LOCAL ZAGREB BOTTLING AND DISTRIBUTION  
FRANCHISE. AFTER TWENTY FIVE YEARS OF SECONDARY  
SALES EFFORTS, "COCA COLA BOTTLERS ZAGREB" HAS  
BEEN ESTABLISHED AS A STOCK COMPANY IN WHICH "THE

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PRS-01 P-01 RP-10 SCT-03 SDEL-00 SIL-00 SNP-00  
SP-00 SR-00 SSO-00 SS-00 STR-17 TRSE-00 T-01  
ASDS-01 /103W

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O 291628Z OCT 92  
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AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY BUDAPEST  
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SUBJECT: CGYOOL -- ZAGREB UPDATE: OCT 29, 1992

COCA COLA EXPORT CORPORATION" WILL PLAY A LEADING  
ROLE.

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